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CENTRAL INTELLIGENCE AGENCY  
OFFICE OF NATIONAL ESTIMATES

13 April 1951

Memorandum for the Director of Central Intelligence

Subject: The Indian Food Situation

Continuing delay on India's request for emergency food supplies from the US involves a serious risk to US security interests, quite aside from any question of humanitarianism. India's grain supply situation has become increasingly critical in the four months since India formally applied for US assistance. Its ability to feed approximately 130 million persons wholly or partially dependent on government rationing, has been seriously reduced. Unless it obtains emergency supplies in the near future, rations will have to be cut further, entailing widespread hardship and an estimated 1 to 2 million deaths.

Such a crisis situation, directly involving close to 40 percent of the Indian population, would place a heavy strain on a government already weakened by economic difficulties, growing divisions within the ruling Congress Party, provincial maladministration, and growing opposition sentiment. The struggle for food might well reawaken the underlying tensions between the Hindu majority and the substantial Moslem minority, and the Communist Party of India would be the principal gainer. Although the government might be able to ride out the storm, there is a possibility that its authority would be dangerously weakened.

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US refusal to provide grain at this time would also have a profound effect on US-Indian relations. Although there is little likelihood that US provision of grain to India would produce any substantial change in India's present policy of neutralism, we believe that it would strike a heavy blow at the widespread Indian misconception of US motives, strengthen the position of pro-US leaders in the government and the press, and enlarge the considerable body of opinion already favoring closer association with the West. Should the US now decide not to provide the grain -- or decide to do so only under onerous conditions or after long additional delay -- most Indians would be confirmed in their suspicions of US "hypocrisy," the position of pro-US elements would be seriously weakened, and Nehru's distrust of the US might harden into lasting hatred.

Both Communist China and the USSR have moved to take the initiative in the present situation. The Chinese Communists have publicly offered to sell to India 1 million tons of grain, and the USSR has also indicated its willingness to supply any amount of grain on a barter basis. Preliminary research indicates that both China and the USSR have the capability to supply and ship a full 2 million tons of foodgrains to India within the next 12 months if they consider the effort necessary. We believe, however, that the Communists can seriously damage US prestige in India and nullify the effect of subsequent delivery of US grain without undertaking this major enterprise. By actually shipping to India a token quantity of a few hundred thousand tons in the near future, the Communist bloc would again take the initiative away from the US in terms of actual delivery and, by its prompt action, would be in the propaganda position to claim that they saved the Indians from starvation while the US dallied over the terms of its gift or loan. The fact that India would have had to purchase the Communist grain (rather than receive it as a gift) would make little difference if the Communists, rather than the US, were to appear to be the only ones interested in preventing starvation

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in India. Subsequent offers and deliveries of US grain either on a gift or loan basis would almost certainly be interpreted as face-saving gestures into which the US was forced by prior Communist action, and would consequently be almost valueless in promoting US interests in India.

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